



**STATE OF HAWAII
DEPARTMENT OF ACCOUNTING
AND GENERAL SERVICES**

P.O. BOX 119
HONOLULU, HAWAII 96810-0119

September 1, 1994

PROCUREMENT CIRCULAR 94-03

TO: All State Departments and Agencies

FROM: Lloyd I. Unebasami, Interim Administrator
State Procurement Office

SUBJECT: Excess State Property

To obtain maximum utilization of State property and to minimize the procurement of new property, we are initiating a program for redistribution of excess state property.

Enclosed is a copy of the Excess State Property form for duplication and distribution to your various accounts.

The following are guidelines pertaining to this program:

A. Definition

Excess State property is a property that has a remaining useful life but is not required by the custodial agency and is available for transfer to other State department or agency.

B. Responsibility of State Departments and Agencies

1. Before submitting a request for disposal, custodial department or agency shall be responsible for making excess state property available to agencies within their organization and secondly to other state departments or agencies.
2. Department or agency shall to the maximum extent practicable, fulfill its requirements for property by obtaining excess state property from other departments or agencies instead of initiating a new procurement.

C. Excess State Property Form

This form is to be use for excess property, including material and supplies, that is available for transfer to other State department or agency.

PROCUREMENT CIRCULAR 94-03
September 1, 1994

1. The description of property shall begin with the noun (for example, calculator, chair, computer, desk, typewriter, etc.) and followed by other descriptive property information.
2. Submit this form by the 15th of the current month to be included in next months' list.
3. Forward or fax the completed form to State Procurement Office, Inventory Management Office, 729 Kakoi St., Honolulu, HI. 96819. Fax: 831-6786
4. This form is also available in Excel 5.0 or Excel97.

D. Excess State Property List

This list is a consolidation of all properties, including supplies, submitted on the Excess State Property Form and will be distributed to all departments on the 20th of each month.

1. Any State agency interested in a listed item should call the contact person and arrange to see the item. If the item is accepted by the interested agency, the custodial agency will initiate the Transfer of Property, AGS Form 18.
2. Transporting of the item will be the responsibility of the losing or gaining agencies.
3. The excess property listed will be active for 30 days.
4. After the ending date on the Excess State Property List, any item that has not been transferred, the custodial agency shall follow the sequence for disposal of surplus state property.

E. Sequence for Disposal of Surplus State Property

After the excess property has been offered to other state agencies with no results, the property becomes surplus to the State.

Enclosed for your reference is the Sequence for Disposal of Surplus State Property.

Should you have any questions, please call Mr. Ron Omura, Inventory Management Staff Supervisor, State Procurement Office, at 831-6756.

Enc. Excess State Property Form
Sequence for Disposal of Surplus State Property

STATE OF HAWAII
EXCESS STATE PROPERTY

This form is to be used for property that has a remaining useful life but is no longer required by the custodial agency and is available for transfer to other State department or agency.

The listed item(s) will be consolidated into the SPO, Excess State Property List, which will be forwarded on the 20th of each month to all State departments. This list will be active for 30 days, if no offers are received by the the ending date, the listing agency shall follow the sequence for disposal of surplus state property. **Submit this form by the 15th to be included in the months' listing.**

Submit to INVENTORY MGT. OFFICE, 729 Kakoi St., Honolulu, HI. 96819. FAX 831-6786

[illegible]

SEQUENCE FOR DISPOSAL OF SURPLUS STATE PROPERTY

Surplus State Property means any property that has no use to the State.

The following sequence shall apply:

The following require an approved Disposal Application before the action.

1. Trade-in for new replacement item.
The Chief Procurement Officer shall approved the trade-in based on the urgency of need by other state governmental units, or whether the trade-in value is expected to exceed the value realized through the sale of the property.
2. Disposal of Property to State Surplus Property Office, which may accept or refuse the property.
3. Sale by Public Notice for Bids or Public Notice of Auction.
(Refer § 3-130-10(2)(C), HAR for procedures)
 - a) Exceptions may be granted when the value of the property does not justify the expenses of the bidding or auctioning process.
 - b) Sale to employees, provided that an employee of the owning or disposing state governmental unit shall not purchase or agree with another person to purchase the surplus property.
 - c) No weapon shall be sold to any individual. (handgun, rifle, shotgun, grenade launcher & explosive devices used for law enforcement or security purposes).
4. Other disposal methods, including, but not limited to, solicitation by phone, Appraisal, or Barter, provided the disposing officer makes a written determination, approved by the Chief Procurement Officer that such procedure is advantageous to the State.
5. Donation to City or County within the State or to nonprofit tax-exempt charitable organization if cost savings or advantageous to the State.
6. Sale to Dealers for Recycling or Salvaging.
7. If none of the above, Cannibalize usable parts and/or Destruction, Disposal in Trash bin, Incinerator or Landfill.